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United States  
Department of  
Agriculture

Office of  
Public Affairs

# Selected Speeches and News Releases

July 2 - July 8, 1992

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# News Releases

U.S. Department of Agriculture • Office of Public Affairs

## USDA ACCEPTS ONE MILLION MORE ACRES IN THE CONSERVATION RESERVE

Washington, July 2—The U.S. Department of Agriculture has accepted an additional 998,211 acres of highly erodible and other environmentally sensitive cropland into the Conservation Reserve Program, Secretary of Agriculture Edward Madigan announced today.

“After 11 signup periods, we now have enrolled 35,395,951 acres into the program. This acreage provides substantial environmental benefits by reducing soil erosion, improving wildlife habitat and enhancing water quality,” he said. “The Conservation Reserve Program is one of the largest federal commitments to environmental quality and clearly shows how effective voluntary farm stewardship programs can be.”

The additional acreage, which was bid during the eleventh signup period from July 8-19, 1991, was concentrated in Iowa with 100,490 acres; Texas with 86,574 acres; and Missouri with 87,992 acres. Per acre rental payment rates for the 10-15 year contracts averaged \$52.35. Most participants are also eligible to receive a cost-share payment to establish permanent vegetative cover on their enrolled acreage.

The following table provides additional eleventh signup period information by state.

### CRP ELEVENTH SIGNUP

STATE	NUMBER OF BIDS	NUMBER OF CONTRACTS	ACRES CONTRACTED	AVERAGE RENTAL RATE PER ACRE	TOTAL ANNUAL RENTAL PAYMENT
U.S. TOTAL	26,414	14,730	998,211	\$52.35	\$59,264,633
AL	455	276	14,601	\$45.77	\$668,292
AK	8	0	0	\$0.00	\$0
AZ	1	0	0	\$0.00	\$0
AR	257	156	11,462	\$47.20	\$540,985
CA	65	15	4,068	\$48.48	\$197,178
CO	336	51	14,157	\$36.54	\$517,226
CT	0	0	0	\$0.00	\$0
DE	0	0	0	\$0.00	\$0
FL	181	70	3,971	\$40.67	\$161,512
GA	599	276	14,476	\$42.59	\$616,586
HI	0	0	0	\$0.00	\$0
ID	285	175	35,521	\$49.68	\$1,764,721
IL	2,423	1,729	72,505	\$81.61	\$5,916,869



IN	1,065	849	40,551	\$80.06	\$3,246,658
IA	2,576	1,895	100,490	\$89.46	\$8,989,896
KS	1,844	574	40,867	\$53.54	\$2,187,921
KY	264	189	10,659	\$62.98	\$671,311
LA	107	67	4,524	\$45.78	\$207,104
ME	18	14	716	\$54.09	\$38,731
MD	81	53	1,808	\$81.72	\$147,774
MA	0	0	0	\$0.00	\$0
MI	1,526	831	41,822	\$59.27	\$2,478,661
MN	1,301	737	48,487	\$53.00	\$2,569,667
MS	772	542	40,103	\$46.80	\$1,876,984
MO	1,549	1,202	87,992	\$65.45	\$5,758,713
MT	661	109	45,731	\$33.58	\$1,535,644
NE	1,060	380	36,301	\$56.11	\$2,036,763
NV	2	0	0	\$0.00	\$0
NH	0	0	0	\$0.00	\$0
NJ	5	0	0	\$0.00	\$0
NM	28	3	1,881	\$33.66	\$63,300
NY	173	73	3,213	\$46.27	\$148,693
NC	317	182	5,621	\$45.33	\$254,832
ND	708	146	18,990	\$33.52	\$636,640
OH	1,384	1,018	51,102	\$78.31	\$4,001,611
OK	472	194	22,102	\$42.60	\$941,575
OR	71	28	8,126	\$48.67	\$395,531
PA	380	93	3,722	\$60.53	\$225,305
PR	0	0	0	\$0.00	\$0
RI	0	0	0	\$0.00	\$0
SC	337	113	4,042	\$39.52	\$159,742
SD	590	125	10,828	\$40.66	\$440,294
TN	469	327	18,028	\$52.15	\$940,218
TX	1,245	540	86,574	\$39.13	\$3,387,896
UT	37	8	1,253	\$32.70	\$40,975
VT	1	1	6	\$50.00	\$300
VA	188	84	1,886	\$53.29	\$100,489
WA	255	171	33,563	\$56.31	\$1,890,086
WV	5	0	0	\$0.00	\$0
WI	2,248	1,434	56,459	\$62.13	\$3,507,944
WY	65	0	0	\$0.00	\$0

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## USDA PROPOSES TO REDEFINE FARM COTTON PRICE

WASHINGTON, July 2—The U.S. Department of Agriculture's National Agricultural Statistics Service is proposing to define the price received by farmers for cotton as an f.o.b. warehouse price for 1992 and succeeding crop years.

The f.o.b. warehouse price would include the cost of transporting cotton to the warehouse and warehouse receiving charges, but exclude other warehouse charges, such as compression and loadout. Other marketing expenses, such as storage or interest incurred by producers after delivery to the warehouse, will be included only if producers retain ownership after delivery.

Marketing rules and practices vary among cotton markets and exchanges,

with certain expenses borne by the buyer or the producer, depending on the marketing region. The previous definition of the farm price of cotton was not determined at a specific point in the marketing process. The average price received by farmers is not expected to change materially from the price NASS would have obtained using the previous definition.

The proposed price definition is consistent with NASS' grain estimating program and the spot market prices reported by the Agricultural Marketing Service.

Any direct government payments to cotton producers (deficiency payments and loan deficiency payments) and gains from repaying loans at less than the loan rate will be excluded from the price reported to NASS.

Comments on this proposal should be sent by Aug. 1, to Robert W. Milton, Chief, Economic Statistics Branch, NASS/USDA, Rm. 5912-S, Washington, D.C. 20250.

Contact: Robert W. Milton, (202) 720-3570.

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## **USDA PROPOSES FEE INCREASES FOR FRESH FRUIT AND VEGETABLE GRADING SERVICES**

WASHINGTON, July 2—The U.S. Department of Agriculture is proposing to raise fees charged for fresh fruit and vegetable grading and certification services at terminal markets.

Daniel D. Haley, administrator of USDA's Agricultural Marketing Service, said the proposed fee changes would offset an increase in annual personnel costs. The fee increases will also cover the costs of additional graders USDA hired in response to the industry's requests to provide faster service for unscheduled inspection services.

The proposed fee changes for inspections of one to four products from the same trailer or railcar will increase as follows:

—from \$62 to \$68 for quality and condition inspections for more than a half carlot equivalent of each product;

—from \$52 to \$57 for quality and condition inspections for a half carlot equivalent or less of each product;

—from \$52 to \$57 for condition inspections for more than a half carlot equivalent of each product;

—from \$47 to \$52 for condition inspections for a half carlot equivalent or less of each product.

Proposed fee increases for inspections of five or more products unloaded from the same trailer or railcar would increase from \$220 to \$242 for the first

five products, and from \$10 to \$11 for each additional product.

The fee to list an additional lot of a product on an inspection certificate would increase from \$10 to \$11.

The minimum charge for dock-side inspections of individual products unloaded from the same ship would increase from \$62 to \$68.

The fee for inspections performed for other purposes would increase from \$31 an hour to \$34 an hour during the grader’s regular hours and from \$15.50 to \$17 during premium or holiday hours.

The proposed fee changes will be published in the July 2 Federal Register. Comments on the proposed rule, received no later than Aug. 3, should be sent to the Fresh Products Branch, Fruit and Vegetable Division, USDA, AMS, Rm. 2056-S, P.O. Box 964546, Washington, D.C. 20090-6456. Copies of the proposal and more information may be obtained from Douglas C. Bailey at the same address, telephone (202) 720-2333.

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USDA RELEASES COST OF FOOD AT HOME FOR MAY

WASHINGTON, July 2—Here is the U.S. Department of Agriculture’s monthly update of the weekly cost of food at home for May 1992:

COST OF FOOD AT HOME FOR A WEEK IN MAY 1992

	Thrifty	Food plans		Liberal
		Low-cost	Moderate-cost	
		(in dollars)		
Families:				
Family of 2 (20-50 years)	49.00	61.90	76.20	94.70
Family of 2 (51 years and over)	46.50	59.50	73.40	87.70
Family of 4 with preschool children	71.50	89.40	109.00	134.00
Family of 4 with elementary schoolchildren	81.90	105.00	131.00	157.80
Individuals in four-person families:				
Children:				
1-2 years	13.00	15.90	18.50	22.40



3-5 years	14.00	17.20	21.20	25.50
6-8 years	17.10	22.80	28.50	33.20
9-11 years	20.30	25.90	33.20	38.50
<hr/>				
Males:				
12-14 years	21.10	29.30	36.60	42.90
15-19 years	21.90	30.30	37.60	43.60
20-50 years	23.40	30.00	37.40	45.30
51 and over	21.30	28.50	35.10	42.00
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Females:				
12-19 years	21.30	25.40	30.70	37.10
20-50 years	21.10	26.30	31.90	40.80
51 and over	21.00	25.60	31.60	37.70

USDA's Human Nutrition Information Service computes the cost of food home for four food plans—thrifty, low-cost, moderate-cost, and liberal.

Sue Ann Ritchko, HNIS administrator, said the plans consist of foods that provide well-balanced meals and snacks for a week.

In computing the costs, USDA assumes all food is bought at the store and prepared at home. Costs do not include alcoholic beverages, pet food, soap, cigarettes, paper goods and other nonfood items bought at the store.

"USDA costs are only guides to spending," Ritchko said. "Families may spend more or less, depending on such factors as where they buy their food, how carefully they plan and buy, whether some food is produced at home, what foods the family likes, and how much food is prepared at home."

"Most families will find the moderate-cost or low-cost plan suitable," she said. "The thrifty plan, which USDA uses to set the coupon allotment in the food stamp program, is for families who have tighter budgets. Families with unlimited resources might use the liberal plan."

To use the chart to estimate your family's food costs:

— For members eating all meals at home—or carried from home—use the amounts shown in the chart.

— For members eating some meals out, deduct 5 percent for each meal eaten away from home from the amount shown for the appropriate family member. Thus, for a person eating lunch out 5 days a week, subtract 25 percent, or one-fourth the cost shown.

— For guests, add 5 percent of the amount shown for the proper age group for each meal.

Costs in the second part of the chart pertain to individuals in four-person families. If your family has more or less than four, total the "individual" figures and make these adjustments (note: larger families tend to buy and use food more economically than smaller ones):

- For a one-person family, add 20 percent.
- For a two-person family, add 10 percent.
- For a three-person family, add 5 percent.
- For a five- or six-person family, subtract 5 percent.
- For a family of seven or more, subtract 10 percent.

Details of the four family food plans are available from the Nutrition Education Division, HNIS, USDA, Federal Building, Hyattsville, Md. 20782.

Johna Pierce (301) 436-8617  
Charles Hobbs (202) 720-4026

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## USDA ISSUES FINAL RULE ON SOYBEAN ASSESSMENTS

WASHINGTON, July 2—The U.S. Department of Agriculture has finalized regulations for collection of assessments under the Soybean Promotion and Research Order. An interim final rule in the Aug. 30, 1991, Federal Register detailed the collection and remittance procedures. Collections began Sept. 1, 1991.

Daniel D. Haley, administrator of USDA's Agricultural Marketing Service, said that, as a result of comments received, AMS would revise the reporting form to accommodate computer systems currently utilized by first purchasers.

The soybean research and promotion program, which became effective July 9, 1991, is funded by a mandatory assessment of .5 of 1 percent of the net market value of soybeans marketed domestically. Assessments are used to fund activities designed to strengthen the position of soybeans in the marketplace.

USDA will conduct a referendum to determine whether producers favor continuation of the order.

Prior to announcement of the referendum's outcome, producers may obtain full refunds of assessments paid to the national program.

The finalized regulations will be published in the July 2 Federal Register.

Copies of the actions and additional information on the soybean program are available from Ralph L. Tapp, Chief, Marketing Programs Branch, USDA, AMS, Room 2624-S, P.O. Box 96456, Washington, D.C. 20090-6456.

Contact: Connie Crunkleton (202) 720-8998

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## USDA TO REDUCE DOMESTIC COTTON ASSESSMENTS, BEGIN ASSESSING IMPORTS

WASHINGTON, July 2—The U.S. Department of Agriculture is amending the rules of the Cotton Research and Promotion Order to reduce assessments levied on cotton produced in the United States and begin assessing imported cotton and cotton-containing products.

These assessments fund cotton research and promotional activities administered by the National Cotton Board.

Daniel D. Haley, administrator of the USDA's Agricultural Marketing Service, said the Cotton Board recently recommended reducing assessments on domestically produced cotton.

"Growers and importers voted to eliminate assessment refunds, authorized by the 1990 Farm Bill, and implement import assessments," Haley said. "The result is an increase in overall funding for the program which allows a reduction in the assessment rate."

Effective July 31, the assessment rate will be five-tenths of one percent of the value of cotton, down from six-tenths. The reduction will total about \$4.6 million and will be in effect for three years. After the three-year period, the rate will return to six-tenths of one percent.

Haley also announced that USDA is implementing final rules to begin assessing imported cotton. The 1990 Farm Bill requires that the imported cotton and cotton-containing products be assessed at a rate equal to that of domestic cotton.

The rules establish specific instructions on how assessments on imported cotton will be collected. They also identify cotton products subject to assessments, and define exemptions to assessments. In addition, the rules establish procedures for calculating the assessment and for reimbursing assessments collected on U.S.-produced cotton re-entering the United States as imported textile products.

Assessments on imported cotton also are scheduled to go into effect on July 31.

Details of the final rules are available from Craig Shackelford, Cotton Research and Promotion, Cotton Division, USDA, AMS, PO Box 96456, Room 2641-S, Washington, D.C. 20090-6456; telephone (202) 720-2259.

Connie Crunkleton (202) 720-8998

Leslie Parker (202) 720-4026

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## **USDA PROPOSES FEE INCREASES FOR EGG, POULTRY AND RABBIT GRADING**

WASHINGTON, July 2—The U.S. Department of Agriculture is proposing increased fees for certain grading and inspection services for eggs, poultry, rabbits and egg products.

“Increases in the salaries and benefits of the federal employees and federally licensed state employees who provide the services justify raising the fees,” said Daniel D. Haley, administrator of USDA’s Agricultural Marketing Service, which administers the grading program.

Hourly fees for voluntary, industry-requested grading would rise from \$21.08 to \$22.24 for resident service (work of a grader with a regular tour of duty at a plant); from \$28.64 to \$30.12 for non-resident service (intermittent, “as-needed,” grading); from \$29.68 to \$30.52 for non-resident grading work on weekends and holidays; and from \$30.52 to \$32.11 for laboratory work.

The administrative fee for USDA supervision of voluntary grading and for other overhead expenses would decrease from \$.031 to \$.030 per case of shell eggs and from \$.00031 to \$.00025 per pound of poultry in plants using the resident grading program. The minimum administrative fee for poultry and eggs per monthly billing period would rise from \$155 to \$175, and the maximum fee would rise from \$1,550 to \$1,750. The minimum administrative fee for grading rabbits would rise from \$155 to \$175 per monthly billing period.

Hourly fees for special inspection services in egg products plants also would rise. Proposed increases are from \$24.48 to \$25.44 for processing appeals from inspectors’ decisions.

The Egg Products Inspection Act requires that costs of services other than basic inspection during a normal 40-hour week be paid by the user. The special inspection fees last increased in May 1991.

Grading services administered by USDA are made available upon request and paid for by the users. The Agricultural Marketing Act of 1946 requires user fees to be reasonable and, as nearly as possible, equal to the cost of the services. Current fees have been in effect since May 1991.

The proposed grading and inspection fee increases will be published as a proposed rule in the July 6 Federal Register. Comments must be received in the office of Janice L. Lockard, Chief, Standardization Branch, Poultry Division, AMS, USDA, Room 3944-S, P.O. Box 96456, Washington, D.C. 20090-6456, on or before Aug. 5.

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Diane O’Connor (202) 720-8998



## **USDA ANNOUNCES GSM-102 EXPORT CREDIT GUARANTEES FOR SALES TO UKRAINE FOR FY92**

WASHINGTON, July 2—Secretary of Agriculture Edward Madigan today announced \$55 million in export credit guarantees are available for sales of U.S. agricultural commodities to Ukraine.

These credit guarantees are made available to U.S. exporters under the U.S. Department of Agriculture's Export Credit Guarantee Program (GSM-102). Today's announcement represents the final allotment of the \$110 million in credit guarantees to Ukraine announced May 12.

The commodity breakdown for the \$55 million being made available today is: \$25.15 million for wheat, \$20.25 million for feed grains (corn, barley, sorghum and oats) and \$3.0 million for rice.

These commodity-specific allocations represent guaranteed values relative to free on board (f.o.b.) or free along side (f.a.s.) values of any commodities sold, including any sold on cost and freight (c&f) or cost, insurance and freight (c.i.f.) basis.

The commodity lines set forth above may be increased by an amount not to exceed \$6.6 million in total to cover the additional value of the commodity sold on either a c&f or c.i.f. basis, point of ocean vessel discharge.

A U.S. exporter who applies for a USDA Commodity Credit Corporation export credit guarantee in connection with a sale made on a c&f or c.i.f. basis will be required to submit an estimate of the freight charges that will be incurred in connection with the sale. CCC will maintain a running tally of such estimated freight charges and, after the tally reaches \$6.6 million, CCC will approve applications only for the f.o.b. or f.a.s. value of any sales even if the sale was made by the exporter on a c&f or c.i.f. basis.

GSM-102 export credit guarantees will be available to cover only the f.o.b. or f.a.s. value of any commodities that move on ocean going vessels flagged in Ukraine. CCC will not provide coverage of the insurance component of c.i.f. sales.

Madigan said U.S. exporters must maintain records, in accordance with Section 7 C.F.R. 1493.100 of the GSM-102 regulations (56F.R.25998, June 6, 1991), demonstrating arrival of the commodities in Ukraine, the country of eligible destination.

Madigan also said that CCC will guarantee 100 percent of the principal on credit extended in connection with sales under this allocation, as well as provide interest coverage equal to the coupon equivalent yield of the 52-week U.S. Treasury bill auction average.

Based on the most recently announced 52-week Treasury bill rate, the applicable guarantee fee on the individual sales under this allocation will be determined, at the time CCC receives the exporter's application for payment

guarantee, in accordance with FAS Program Announcement GSM-91-5 released on Sept. 27, 1991. Eligible interest will be determined as of the date of export and thereafter will be subject to adjustment as of each principal and/or interest due date and remain in effect through the next interest and/or principal due date.

U.S. exporters are reminded that all applications for export credit guarantees are subject to price review.

The bank qualified by CCC to issue letters of credit in connection with these guaranteed sales is the Ukraine Export Import Bank (Ukreximbank).

To be eligible for up to three-year coverage, all sales must be registered by Sept. 30, and exporters' contractual agreements must call for exportation not later than Nov. 30.

U.S. exporters registering for export credit guarantees must report to CCC the actual export period as provided in their credit sale. Exporters should not simply use the final export date listed under announcements authorizing the guarantees.

In accordance with 7 C.F.R. 1493.60(d) of the GSM-102 regulations, the final date of exportation to be shown on the payment guarantee will be one month after the contractual deadline for exporting.

U.S. exporters must apply to CCC for coverage before exports are completed and written applications must be accompanied by payment of an export credit guarantee fee.

For further information, call (202) 720-3224. For 24-hour information on Export Credits activities, call (202) 690-1621.

Rebecca Broeking (202) 720-3448  
Diane O'Connor (202) 720-4026

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## **USDA ANNOUNCES GSM-102 EXPORT CREDIT GUARANTEES FOR SALES TO RUSSIA FOR FY92**

WASHINGTON, July 2—Secretary of Agriculture Edward Madigan today announced that \$300 million in export credit guarantees are available for sales of U.S. agricultural commodities to Russia.

These credit guarantees are made available to U.S. exporters under the U.S. Department of Agriculture's Export Credit Guarantee Program (GSM-102). Today's announcement represents the final allotment of the \$600 million in credit guarantees to Russia announced May 20.

Madigan said today's announcement allocates by commodities the export



credit guarantees announced by President Bush on June 30. Today's announcement also represents an acceleration in availability of \$150 million originally scheduled to be made available in August.

The commodity breakdown for this \$300 million allocation is: \$96.0 million for wheat, \$55 million for feed grains (corn, barley, sorghum and oats), \$64 million for protein meals (soybean meal, cottonseed meal, linseed meal, and sunflower seed meal), \$12.1 million for tallow, \$6.3 million for vegetable oil (soybean, cottonseed, peanut, linseed, corn and sunflowerseed), and \$31.6 million unallocated. Madigan noted that about 35 percent of the identified commodities are high value products.

These commodity-specific allocations represent guaranteed values relative to f.o.b. (free on board) or f.a.s. (free along side) values of any commodities sold, including any sold on c&f (cost and freight) or c.i.f. (cost, insurance and freight) basis. The commodity lines set forth above may be increased by an amount not to exceed \$35.0 million in total to cover the additional value of the commodity sold on either a c&f or c.i.f. basis, point of ocean vessel discharge.

A U.S. exporter who applies for a USDA Commodity Credit Corporation export credit guarantee in connection with a sale made on a c&f or c.i.f. basis will be required to submit an estimate of the freight charges that will be incurred in connection with the sale. CCC will maintain a running tally of such estimated freight charges and, after the tally reaches \$35.0 million, CCC will approve applications only for the f.o.b. or f.a.s. value of any sales even if the sale was made by the exporter on a c&f or c.i.f. basis.

GSM-102 export credit guarantees will be available to cover only the f.o.b. or f.a.s. value of any commodities that move on ocean going vessels flagged in Russia. CCC will not provide coverage of the insurance component of c.i.f. sales.

Today's action increases the total unallocated amount from \$24.75 million to \$56.35 million. The unallocated amount will be made available at a later date and further allocations among commodity-specific lines will be announced at that time.

Madigan reminded U.S. exporters that they must maintain records, in accordance with 7 C.F.R. 1493.100 of the GSM-102 regulations (56 F.R. 25998, June 6, 1991), demonstrating arrival of the commodities in the eligible country of destination. Madigan also said that CCC will guarantee 100 percent of the principal on credit extended in connection with sales under this allocation, as well as provide interest coverage equal to the coupon equivalent yield of the 52-week U.S. Treasury bill auction average.

Based on the most recently announced 52-week Treasury bill rate, the applicable guarantee fee on the individual sales under this allocation will be determined, at the time CCC receives the exporter's application for payment

guarantee, in accordance with FAS Program Announcement GSM-91-5 released on Sept. 27, 1991. Eligible interest will be determined as of the date of export and thereafter will be subject to adjustment as of each principal and/or interest due date and remain in effect through the next interest and/or principal due date.

U.S. exporters are reminded that all applications for export credit guarantees are subject to price review.

The bank qualified by CCC to issue letters of credit in connection with these guaranteed sales is Vneshekonombank.

To be eligible for up to three-year coverage, all sales must be registered by Sept. 30, and exporters' contractual agreements must call for exportation not later than Nov. 30.

U.S. exporters registering for export credit guarantees must report to CCC the actual export period as provided in their credit sale. Exporters should not simply use the final export date listed under announcements authorizing the guarantees.

In accordance with 7 C.F.R. 1493.60(d) of the GSM-102 regulations, the final date of exportation to be shown on the payment guarantee will be one month after the contractual deadline for exporting.

U.S. exporters must apply to CCC for coverage before exports are completed and written applications must be accompanied by payment of an export credit guarantee fee.

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Rebecca Broeking (202) 720-3448

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## **MEAT IMPORT ESTIMATE FOR THIRD QUARTER BASED ON VOLUNTARY RESTRAINTS**

WASHINGTON, July 2—Secretary of Agriculture Edward Madigan today announced the third quarterly estimate of meat imports under the Meat Import Act for calendar year 1992 at 1,311.1 million pounds.

"We have negotiated Voluntary Restraint Agreements with Australia and New Zealand," said Madigan, "and these should keep total imports of beef below the trigger level of 1,311.2 million pounds for the remainder of the calendar year."

Australia and New Zealand are the two largest suppliers of fresh beef to the U.S. market, and historically supply almost 90 percent of total U.S. fresh beef imports.



Madigan said the higher import estimate is due primarily to continued large shipments of beef from Australia where cattle slaughter is running ahead of last year because of drought conditions.

The Meat Import Act of 1979 requires the secretary to estimate imports of certain meat items—primarily beef and veal—each quarter of the year, and the president to restrict these imports if a USDA import estimate equals or exceeds the trigger level determined by formula in the Act.

Monthly imports of meat subject to the law are:

Month	1989	1990	1991	1992
In million pounds				
January	74.5	90.7	66.0	97.6
February	80.3	97.1	85.9	99.3
March	88.5	115.4	114.4	91.2
April	97.1	118.0	97.1	129.9
May	104.0	76.9	101.5	143.2
June	103.4	100.8	145.2	132.2
July	114.6	121.3	121.9	
August	111.0	122.2	144.6	
September	90.2	137.7	113.8	
October	83.6	99.9	173.3	
November	57.4	131.8	82.5	
December	136.8	141.0	84.4	
Total*	1,141.2	1,352.8	1,330.6	

\*Totals may not add due to rounding.

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USDA ANNOUNCES 1992-1993 MARKETING YEAR PENALTY RATES FOR EXCESS TOBACCO

WASHINGTON, July 6—Penalty rates charged producers, dealers and warehouse operators for the marketing of excess tobacco were announced today by the U.S. Department of Agriculture.

Keith Bjerke, administrator of USDA’s Agricultural Stabilization and

Conservation Service, said Section 314 of the Agricultural Adjustment Act of 1938, as amended, requires assessment of such penalties at the rate of 75 percent of the average market price for that kind of tobacco for the immediately preceding market year.

“This applies to every kind of tobacco subject to a marketing quota,” Bjerke said.” Average market prices for each type of tobacco are determined and announced and penalty rates are then calculated.

A table of kinds of tobacco and penalty rates follows:

Rate of Penalty—1992-1993 Marketing Year	
Kind of Tobacco	Cents per Pound Penalty Rate
Flue-Cured	129
Burley	134
Fire-Cured (Type 21)	114
Fire-Cured (Types 22 and 23)	160
Dark Air-Cured (Types 35 and 36)	138
Virginia Sun-Cured (Type 37)	108
Cigar-Filler and Binder (Types 42, 43, 44, 54 and 55)	116

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**PRODUCERS WOULD ENROLL UP TO 466,000 ACRES IN PILOT WETLANDS RESERVE**

WASHINGTON, July 7—Farmers and ranchers in nine states intend to offer nearly 500,000 acres for enrollment in the U.S. Department of Agriculture’s pilot Wetlands Reserve Program, Secretary of Agriculture Edward Madigan said today.

“This strong interest in the Wetlands Reserve Program shows the environmental commitment and responsibility of American farmers,” Madigan said.

Under the \$46.4 million pilot program, landowners in California, Iowa, Louisiana, Minnesota, Mississippi, Missouri, New York, North Carolina and Wisconsin may offer to enroll land in the wetlands reserve. Enrollment is limited to a total of 50,000 acres for 1992.

USDA will pay landowners easement costs for acreage accepted in the program, plus 75 percent of costs for work approved to restore the land to healthy wetland condition. Enrolled acreage must be kept permanently as wetlands, under the supervision of USDA’s Agricultural Stabilization and Conservation Service.

During the recent signup period for the program, 2,730 landowners in the nine pilot states told their ASCS county offices they are interested in offering 466,000 acres for enrollment.

Madigan said USDA will proceed with wetlands enrollment with the \$46.6 million available this year and will seek to restore funding in the Senate for fiscal year 1993. The House, declaring it wanted to assess producer interest in the program, voted June 30 to eliminate wetland funding next year.

“Clearly, this is a popular program with far-reaching environmental benefits,” Madigan said. “The whole idea is to help farmers voluntarily restore, by 1995, up to 1 million acres of land under cultivation back to wetlands to conserve soil and improve water and wildlife habitat,” Madigan said.

“Farmers told us they were willing to squirrel away 466,000 acres in just nine states. That’s more than nine times the first-year goal of 50,000 acres,” he said.

During the next 60 days, technical experts with USDA’s Soil Conservation Service and the Department of the Interior’s Fish and Wildlife Service will complete wetland restoration plans for the acreage offered in the signup. These plans will serve as the basis for landowners to submit final bids to ASCS for enrollment in the reserve. Bids are due to county ASCS offices before Sept. 25.

Farmers who submit acceptable offers this year will still receive annual payments even if the House action becomes law.

The following table shows results of the signup by state:

	<u>Number of Acres</u>	<u>Number of Producers</u>
California	85,000	160
Iowa	45,000	750
Louisiana	119,000	420
Minnesota	33,000	250
Missouri	29,000	300
Mississippi	115,000	470
New York	2,000	60
North Carolina	25,000	70
Wisconsin	13,000	250
Total	466,000	2,730

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## SCIENTISTS FIND VIRUS THAT KILLS INSECTS

WASHINGTON, July 8—More than a dozen caterpillar pests of farms and gardens lose their appetites and die from a natural virus discovered by U.S. Department of Agriculture scientists.

“The celery looper virus could be purified, packaged and sold as a new, environmentally friendly control for insects that pester cotton, alfalfa, tomato and other vegetables,” said Patrick V. Vail of USDA’s Agricultural Research Service.

This might happen within five years, he added, if results from early tests hold up in outdoor trials begun this month. Then, backyard gardeners could have a new way to fight enemies such as tomato hornworm, and farmers could fend off tobacco budworms, cotton bollworms and other crop pests.

Cotton bollworms alone cost growers \$1.5 billion in yield losses and insecticides, said Vail, an entomologist at the ARS Horticultural Crops Research Laboratory in Fresno, Calif.

The virus kills susceptible insects a few days after they eat it, and doesn’t target people, pets and other forms of life, Vail said.

Currently, four viral insecticides are approved by the U.S. Environmental Protection Agency. But the celery looper virus stands out from the others because of the broad array of destructive insects that it kills, Vail said.

He and ARS colleagues Thomas J. Henneberry and M. Randy Bell are testing the virus this summer in cotton fields in California, Arizona, and Mississippi.

In addition, the scientists’ collaborators at Sandoz Agro Inc. have a cooperative research and development agreement with ARS for testing the microbe. Sandoz’ upcoming experiments include fields of broccoli, cabbage, tomatoes, alfalfa, soybeans and cotton in nine states.

The virus was discovered in the pale-green celery looper worm by Donald L. Hostetter, an ARS research entomologist in Kimberly, Idaho, and former ARS colleague Benjamin Puttler, now with the University of Missouri in Columbia. The two patented the virus in 1990.

In nature, unsuspecting celery loopers—along with hornworms, bollworms and other susceptible insects—consume the virus as they nibble on leaves or cotton bolls.

Once ingested, the virus takes over the insect’s cell machinery. As the cells churn out billions of copies of virus particles, the insect loses its appetite and eventually dies. Then the insect’s body disintegrates into an infective liquid that can spread across leaves or dribble onto the ground. An insect chancing upon this deadly goo can re-start the cycle.

Vail’s preliminary lab and field tests indicate the virus does about as well as another viral insecticide product—the *Helicoverpa zea* virus—in killing



tobacco budworms and cotton bollworms. But the looper virus also goes after cotton enemies that the H. zea virus can't harm, such as cabbage looper and beet armyworm.

"That's important," said Vail, "because a mixture of these pests, and more, may occur in the same field of cotton at the same time."

In related work aimed at increasing the marketability of viral insecticides, ARS scientists elsewhere and collaborators at American Cyanamid Company are testing compounds that bolster the deadliness of insect viruses. Preliminary lab results indicate the compounds make some viruses 100 to 1,000 times deadlier to the pests.

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